

Exhibit No. 27Date 4-7-09Bill No. HB 676Amendments to House Bill No. 676
3rd Reading Copy

For the Senate Finance and Claims Committee

Requested by Senator Keith Bales

Prepared by Greg Petesch
April 6, 2009 (5:29pm)

1. Title, line 9.

Following: "HOMES;"**Insert:** "REVISING THE DEFINITION OF PRESENT LAW BASE FOR THE
ENSUING BUDGET CYCLE;"

2. Title, line 22.

Following: "16-11-119,"**Insert:** "17-7-102,"

3. Page 11.

Following: line 23**Insert:** "Section 10. Section 17-7-102, MCA, is amended to read:"17-7-102. (Temporary) Definitions. As used in this
chapter, the following definitions apply:(1) "Additional services" means different services or more
of the same services.(2) "Agency" means all offices, departments, boards,
commissions, institutions, universities, colleges, and any other
person or any other administrative unit of state government that
spends or encumbers public money by virtue of an appropriation
from the legislature under 17-8-101.

(3) "Approving authority" means:

(a) the governor or the governor's designated
representative for executive branch agencies;(b) the chief justice of the supreme court or the chief
justice's designated representative for judicial branch agencies;

(c) the speaker for the house of representatives;

(d) the president for the senate;

(e) appropriate legislative committees or a designated
representative for legislative branch agencies; or(f) the board of regents of higher education or its
designated representative for the university system.(4) (a) "Base budget" means the resources for the operation
of state government that are of an ongoing and nonextraordinary
nature in the current biennium. The base budget for the state
general fund and state special revenue funds may not exceed that
level of funding authorized by the previous legislature.(b) The term does not include funding for water
adjudication if the accountability benchmarks contained in
85-2-271 are not met.

(5) "Budget amendment" means a temporary appropriation as provided in Title 17, chapter 7, part 4.

(6) "Emergency" means a catastrophe, disaster, calamity, or other serious unforeseen and unanticipated circumstance that has occurred subsequent to the time that an agency's appropriation was made, that was clearly not within the contemplation of the legislature and the governor, and that affects one or more functions of a state agency and the agency's expenditure requirements for the performance of the function or functions.

(7) "Funds subject to appropriation" means those funds required to be paid out of the treasury as set forth in 17-8-101.

(8) "Necessary" means essential to the public welfare and of a nature that cannot wait until the next legislative session for legislative consideration.

(9) "New proposals" means requests to provide new nonmandated services, to change program services, to eliminate existing services, or to change sources of funding. For purposes of establishing the present law base, the distinction between new proposals and the adjustments to the base budget to develop the present law base is to be determined by the existence of constitutional or statutory requirements for the proposed expenditure. Any proposed increase or decrease that is not based on those requirements is considered a new proposal.

(10) (a) "Present law base" means, subject to subsection (10) (b), that level of funding needed under present law to maintain operations and services at the level authorized by the previous legislature, including but not limited to:

(a)(i) changes resulting from legally mandated workload, caseload, or enrollment increases or decreases;

(b)(ii) changes in funding requirements resulting from constitutional or statutory schedules or formulas;

(c)(iii) inflationary or deflationary adjustments; and

(d)(iv) elimination of nonrecurring appropriations.

(b) For the budget for the 2011 legislative session, present law base must be adjusted by reducing general fund budgets by the equivalent of that portion of the 2% across-the-board reduction assessed by the 61st legislature on selected agencies that was allocated by those agencies to personal services in the 2011 biennium. The director of the governor's office of budget and program planning and the legislative fiscal analyst shall agree on a mechanism for determining how agencies have allocated this reduction.

(11) "Program" means a principal organizational or budgetary unit within an agency.

(12) "Requesting agency" means the agency of state government that has requested a specific budget amendment.

(13) "University system unit" means the board of regents of higher education; office of the commissioner of higher education; university of Montana, with campuses at Missoula, Butte, Dillon, and Helena; Montana state university, with campuses at Bozeman,

Billings, Havre, and Great Falls; the agricultural experiment station, with central offices at Bozeman; the forest and conservation experiment station, with central offices at Missoula; the cooperative extension service, with central offices at Bozeman; the bureau of mines and geology, with central offices at Butte; the fire services training school at Great Falls; and the community colleges at Miles City, Glendive, and Kalispell. (Terminates June 30, 2020--sec. 11, Ch. 319, L. 2007.)

17-7-102. (Effective July 1, 2020) Definitions. As used in this chapter, the following definitions apply:

(1) "Additional services" means different services or more of the same services.

(2) "Agency" means all offices, departments, boards, commissions, institutions, universities, colleges, and any other person or any other administrative unit of state government that spends or encumbers public money by virtue of an appropriation from the legislature under 17-8-101.

(3) "Approving authority" means:

(a) the governor or the governor's designated representative for executive branch agencies;

(b) the chief justice of the supreme court or the chief justice's designated representative for judicial branch agencies;

(c) the speaker for the house of representatives;

(d) the president for the senate;

(e) appropriate legislative committees or a designated representative for legislative branch agencies; or

(f) the board of regents of higher education or its designated representative for the university system.

(4) "Base budget" means the resources for the operation of state government that are of an ongoing and nonextraordinary nature in the current biennium. The base budget for the state general fund and state special revenue funds may not exceed that level of funding authorized by the previous legislature.

(5) "Budget amendment" means a temporary appropriation as provided in Title 17, chapter 7, part 4.

(6) "Emergency" means a catastrophe, disaster, calamity, or other serious unforeseen and unanticipated circumstance that has occurred subsequent to the time that an agency's appropriation was made, that was clearly not within the contemplation of the legislature and the governor, and that affects one or more functions of a state agency and the agency's expenditure requirements for the performance of the function or functions.

(7) "Funds subject to appropriation" means those funds required to be paid out of the treasury as set forth in 17-8-101.

(8) "Necessary" means essential to the public welfare and of a nature that cannot wait until the next legislative session for legislative consideration.

(9) "New proposals" means requests to provide new nonmandated services, to change program services, to eliminate existing services, or to change sources of funding. For purposes

of establishing the present law base, the distinction between new proposals and the adjustments to the base budget to develop the present law base is to be determined by the existence of constitutional or statutory requirements for the proposed expenditure. Any proposed increase or decrease that is not based on those requirements is considered a new proposal.

(10) "Present law base" means that level of funding needed under present law to maintain operations and services at the level authorized by the previous legislature, including but not limited to:

(a) changes resulting from legally mandated workload, caseload, or enrollment increases or decreases;

(b) changes in funding requirements resulting from constitutional or statutory schedules or formulas;

(c) inflationary or deflationary adjustments; and

(d) elimination of nonrecurring appropriations.

(11) "Program" means a principal organizational or budgetary unit within an agency.

(12) "Requesting agency" means the agency of state government that has requested a specific budget amendment.

(13) "University system unit" means the board of regents of higher education; office of the commissioner of higher education; university of Montana, with campuses at Missoula, Butte, Dillon, and Helena; Montana state university, with campuses at Bozeman, Billings, Havre, and Great Falls; the agricultural experiment station, with central offices at Bozeman; the forest and conservation experiment station, with central offices at Missoula; the cooperative extension service, with central offices at Bozeman; the bureau of mines and geology, with central offices at Butte; the fire services training school at Great Falls; and the community colleges at Miles City, Glendive, and Kalispell."

{ Internal References to 17-7-102:

2-18-1107x	5-12-303x	17-2-108x	17-2-301x
17-2-301x	17-7-138x	75-10-621x	85-2-280x }

4. Page 12, line 15.

Strike: "subsection"

Insert: "subsections"

Following: "(7)"

Insert: "and (8)"

5. Page 15.

Following: line 6

Insert: "(8) Each agency budget request for the 2013 biennium must include the adjustments to present law base specified in 17-7-102(10)(b)."

6. Page 22, line 15.

Strike: "16"

Insert: "17"

7. Page 22, line 16.

Strike: "16"

Insert: "17"

8. Page 22, line 23.

Strike: "[Section 9] terminates"

Insert: "[Sections 9 through 11] terminate"

- END -